U.S. Department of Labor

Office of the Assistant Secretary for
Veteran's Employment and Training
Washington, D.C. 20210

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DIRECTOR'S MEMORANDUM: 07-08

MEMORANDUM FOR: ALL REGIONAL ADMINISTRATORS AND DIRECTORS FOR VETERANS' EMPLOYMENT AND TRAINING

FROM: George M. Parker
Acting Director, Operations and Programs

SUBJECT: Guidance for Reviewing Jobs for Veterans State Grant Quarterly Reports

I. **Purpose:** To provide guidance to field staff engaged in reviewing and analyzing Jobs for Veterans State Grant Quarterly Reports.

II. **References:** Title 38, United States Code, Chapter 41 (38 U.S.C. 41) as amended by Public Law (P.L.) 109-461, enacted December 22, 2006; Veterans' Program Letter (VPL) 07-05, dated July 27, 2005 and VPL 02-08, dated January 18, 2008.

III. **Background:** VPL 02-08 was issued to State Agencies and Veterans' Employment and Training Service (VETS) field staff on January 18, 2008. It provides instructions and timelines to be used by States for the preparation and submission of recurring reports for the Jobs for Veterans State Grants. As stated in the VPL, States submit the Manager's Quarterly Reports on Services to Veterans in accordance with VPL 07-05 or the most current VPL on the subject.

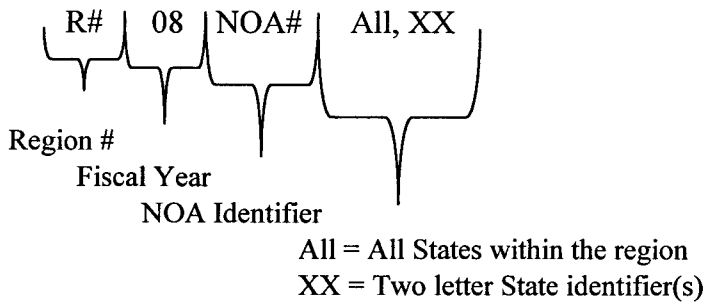
IV. **Guidance:** The following guidance is to be used by Directors for Veterans' Employment and Training (DVETs) and Regional Administrators for Veterans' Employment and Training (RAVETs) to ensure reports are complete and accurate. It also provides general information to help field staff ensure that all financial and activity/performance analysis meets VETS standards.

A. **Notices of Obligation Authority (NOAs):** State Agencies are notified that funding allocations are available for obligation through issuance of NOAs. The period covered by each NOA may be:

- The number of days funded by a Continuing Resolution;
- An entire quarter;
- The balance of the current quarter when an Appropriation is signed at some time after the beginning of the fiscal year; or

- A portion of the 4th quarter if a modification is approved after the 4th quarter NOA has been issued.

NOAs are prepared by Regional Office staff after receipt of periodic allocation amounts from the Lead Center or National Office. RAVETs or their designee sign NOAs and distribute them to DVETs and State Agency Administrators per established local policy. In the event that the automated system is not functioning, RAVETs will provide a copy to the Jobs for Veterans Lead Center and Jobs for Veterans State Grant Program Lead. In this case, Regional Office staff should scan all signed NOAs and compile them in electronic files for distribution to the National Office, and Lead Center via email. Files should be named using the classification system provided below so that recipients can easily identify what is contained in the electronic file.



The following examples depict the correct way to name electronic NOA files:

— **R2 08 NOA2 All.xls** would be an Excel file that contains the 2nd NOA prepared regardless of whether the period covered is under a continuing resolution or quarterly allocation;

— **R5 08 NOA7 MT ND.xls** would be an Excel file that contains the 7th NOA prepared by Region V in FY 2008 for Montana and North Dakota that was issued for approved modifications for those two States.

B. **Quarterly Reporting Process:** Several changes have been made to the forms used for quarterly reporting. The new forms can be found at www.dol.gov/vets. States may begin using these forms with 5th quarter, Fiscal Year (FY) 2007 reports. They are strongly encouraged to use the new forms beginning with the 1st quarter, FY 2008 report. If the State does not use the forms provided, it must report all required information identified in VPL 02-08 and shown on the provided forms.

1. **Expenditure Detail Report (EDR):** The one-page EDR was developed to simplify fiscal reporting for the States and provide data that is needed for reporting and analysis by the Jobs for Veterans Lead Center and National Office. The EDR has been modified so that it more accurately represents the fiscal status of each funding source, i.e. Special Initiatives, Transition Assistance Program (TAP), etc. Specifically:

- Funding allocated for the Disabled Veterans' Outreach Program (DVOP), Local Veterans' Employment Representative (LVER) Program, Special Initiatives, and TAP as compared to actual program outlays to determine the extent that spending is according to planned spending;
- The Federal Share of Unliquidated Obligations is reported on the EDR to ensure it cross-walks to the Federal Financial Report submitted for each program (currently the Standard Form 269A, Financial Status Report);
- Base Positions Paid by each funding source are reported on the EDR to allow VETS to track the number of positions paid by separate funding sources and accurately calculate cost per position;
- The 4th or 5th quarter EDRs can be designated "Final" if the reported information meets such specifications;
- A "Final" EDR worksheet has been provided for States that obligate money in the 5th quarter and liquidate the obligation in the following quarter; and
- The allocation amounts listed in Section B of the EDR will auto-fill on the 5th and final quarter EDRs to preclude States from inadvertently reporting that grant funds were awarded after September 30th of the fiscal year.

If a question arises and more detailed information on outlays or obligations is needed, the Special Grant Provisions allow the DVET as the Grant Officer's Technical Representative to request this information. Two versions of the EDR are provided with the VPL; one for fiscal accounting systems that report cumulative outlays and the other for fiscal accounting systems that report quarterly outlays. The EDR is provided as a Microsoft Excel spreadsheet and will automatically calculate those data items that can be calculated.

2. **Federal Financial Report (currently the SF 269A Financial Status Report - Short Form):** States will submit two Federal Financial Report forms-one for the LVER program and one for the DVOP program. States should differentiate the two forms by entering the appropriate Catalog of Federal Domestic Assistance numbers (17-801 for DVOP and 17-804 for LVER) or program acronyms (DVOP or LVER) on the forms. The reporting form for LVER should include all expenditures for LVER staff, facilitation of TAP Employment Workshops by grant funded staff, Performance Incentive Awards (regardless of the recipient) and LVER Special Initiatives. Any person paid directly by the grant to provide oversight, management or other supervisory responsibilities will charge his/her time to the LVER program. Only expenditures for DVOP staff and DVOP Special Initiatives should be included on the reporting form for that program.

3. **Staffing Directory:** P.L. 109-461 amends Title 38, §4102A to stipulate that all DVOP specialists and LVER staff appointed to their position after January 1, 2006 will receive specialized training from the National Veterans' Training Institute (NVTI). DVETS should receive all information needed for monitoring and reporting this and other staffing requirements from the States through the use of the Staffing Directory provided at www.dol.gov/vets.

VETS has initiated the process of submitting this form for Office of Management and Budget approval, but until such approval is granted, any format may be used to submit staffing information. States that choose not to use the form provided must provide a Staffing Directory that identifies:

- All locations where full- and half-time DVOP specialists and LVER staff are assigned as a primary duty location (to include central and sub-state offices) by office name and address;
- All staff, whether funded in whole or in part by the grant, by name, position (DVOP, LVER, or other appropriate), and type of appointment (half-time or full-time);
- Dates of appointment to the current position (DVOP or LVER);
- All staff funded through a Special Initiative or by grant funding to provide functional oversight, regional coordination or other supervisory/managerial responsibilities by name, title, and location;
- All vacancies; and
- All positions filled by non-veterans for more than six months.

The current version of the Staffing Directory does not include a column to indicate whether each grant funded staff has received the required specialized training, i.e. Labor and Employment Specialist and Case Management for DVOP; Labor and Employment Specialist and Promoting Partnerships for Employment for LVER. When States submitted their FY 2008 Annual Funding Modification Requests, the staff names and assigned locations were compiled and provided to NVTI. NVTI compared this information to their training database to determine who was covered by the legislative mandate and of those, who had completed the required specialized training.

DVETs will compare the Staffing Directory provided with the report for the 1st quarter of a FY to the Directory submitted with the Annual Funding Modification to determine grant-funded staff changes. This includes all staff persons whose date of appointment to their current position falls within the report quarter and those staff no longer paid by the grant due to relocation, reassignment, retirement etc. The Staffing Directory for each subsequent quarter will also be compared to the one submitted in the prior quarter. DVETs may provide the information in any format approved by their RAVET. The table below represents an example of how this information could be provided. If used, it can be cut and pasted into the Technical Performance Analysis Report (TPAR).

Staff Name	**Newly Assigned DVOP Specialist**	**Newly Assigned LVER Staff**	**No Longer DVOP Specialist**	**No Longer LVER Staff**

NOTE: When grant-funded staff move from the LVER program to become DVOP specialist(s), and vice versa, they should be considered "Newly Assigned" to their current position and "No Longer" in their previous position in the table above.

C. **Financial Reporting:** The fiscal portion of the Quarterly Report is used by the Lead Center and National Office to make recommendations and decisions regarding future quarterly allocations, reallocations, and modifications. Therefore, DVETs and RAVETs should work closely with States to ensure accurate reports are submitted in a timely manner. Specifically,

- States must submit their Quarterly Report no later than 45 days after the end of each Federal fiscal quarter. **NOTE**: If the due date falls on a weekend or holiday, reports are due the last work day prior to the due date. DVETs should work closely with their points of contact to ensure they meet this suspense and provide technical assistance as needed. DVETs will notify their RAVET when an extension is needed and keep them informed about issues or problems.
- When funds are expended in the 5th Quarter, States and DVETs must submit two completely separate Quarterly Reports – one for the 1st Quarter of the new FY and one for the 5th Quarter of the previous FY. The reports contain information on two separate grant awards and cannot be co-mingled. The documents required for the 1st Quarter report are identified in VPL 02-08, paragraph VII. The documents required for the 5th Quarter report are identified in VPL 02-08, paragraph VIII.
- States must submit a Final Fiscal Report for both the DVOP and LVER programs. The final report may be submitted at any time after all obligations have been liquidated. Therefore, the Final Fiscal Report for the LVER program may be submitted in a different quarter than the report for the DVOP program. Detailed guidance on final reports is provided in VPL 02-08. In all cases, States must submit a Quarterly Report annotated as final no later than May 15th each fiscal year.

D. **Reporting DVOP Specialist and LVER Staff Positions:** The number of DVOP and LVER positions paid by the Jobs for Veterans State Grant are reported and analyzed for many reasons. The data element used depends on the type of request. When compiling raw numbers of grant-funded staff, the Staffing Directory provides the number of half- and full-time DVOP specialist and LVER staff positions supported, vacancies, positions filled by non-veterans for more than six months and staff that fill Lead or Central Office roles. When the request deals with Cost per Position for DVOP specialists and LVER staff, staffing numbers reported as Base Positions Paid (BPP) are the most accurate data source. BPP accurately reflects the actual number of positions that were paid each quarter, after accounting for vacancies and minor time accounting variances. Base Positions Paid can be reported two ways--including Administrative, Staff and Technical (AS&T) costs and excluding AS&T costs. The BPP reported on the EDR should exclude AS&T costs.

V. **DVET Review, Analysis and Recommendation:** Upon receipt, the DVET will thoroughly review and analyze all reports and related documents provided by the State, including the Annual Incentive Awards Summary Report. The DVET review is critical to ensuring:

- The State is expending funds in accordance with their approved State Plan;
- When over-expended in any funding source, i.e. Special Initiatives, TAP or DVOP/LVER Activities, the State has a plan to make up for the deficiency before the end of the fiscal year;
- When under-expended in any program, the State has a detailed, approvable plan to spend all allocated funds before the end of the funding period (4th quarter or when authorized the 5th quarter) or wishes to have the excess funds reallocated;
- The State is allocating outlays between Direct and Indirect object class categories in accordance with the approved State Plan;
- The State is making good faith efforts to fill vacancies in a timely manner with qualified veterans as prioritized in legislation;
- The State is meeting or making good progress toward meeting their negotiated performance measures;
- DVOP specialists and LVER staff are fulfilling the separate and distinct roles and responsibilities established in legislation and policy guidance;
- DVOP specialists and LVER staff are only serving veterans and other eligible persons when charging to the Jobs for Veterans State Grant;
- DVOP specialists and LVER staff are fully and effectively integrated into the One-Stop system;
- The State is providing priority of service to veterans in all Department of Labor funded employment and training programs;
- Vocational Rehabilitation & Employment clients are served by a DVOP specialist or LVER staff when referred by the Department of Veterans' Affairs;
- The cost for grant-funded staff to facilitate TAP Employment Workshops is in line with the State Plan and cost effective for VETS; and
- The State identifies issues, problems, best practices, and success stories that may have an impact on the quality of services provided to veterans.

While not a comprehensive list, analysis of the State's Quarterly Report will require the DVET to complete actions such as:

- Verify that the outlays and obligations reported on the previous quarter's fiscal report have not changed;
- Verify that costs reported on the EDR are rolled up on the appropriate Federal Financial Report;
- Verify that calculated expenditures, such as those reported in "Cumulative" column are correctly reported on all financial forms;
- Calculate the staff utilization rate (percentage of planned positions filled) by comparing the Staffing Directory to the State Plan;
- Identify newly assigned grant-funded staff and those no longer paid by the grant;

- Calculate the average cost per position for each funding source by dividing the cumulative amount expended in each funding source by the Base Positions Paid by that funding source;
- Calculate the average cost per TAP Employment Workshop (when applicable) by dividing the cumulative amount expended on TAP by the total number of workshops facilitated by grant funded staff;
- Analyze the percentage of services to non-veterans by DVOP and LVER staff reported on performance reports;
- Analyze services to veterans as they compare to services to non-veterans; and
- Compare the Entered Employment Rate and Employment Retention Rates to negotiated rates and account for variances.

The DVET will submit a TPAR that addresses the issues listed above for the 1st, 2nd, 3rd, and 4th quarters. The TPAR should include information on any other problems or issues that are relevant. When problems are identified, the TPAR should describe actions being taken to address them.

Carry-in funds are used to supplement or supplant 1st Quarter funds in accordance an approved 5th Quarter spending plan. Therefore, no analysis is needed regarding staff utilization, cost per position, cost per TAP workshop or performance. Therefore, when funds are expended in the 5th Quarter, the DVET needs to prepare and submit a transmittal memorandum that identifies the amount of any funds obligated to be liquidated in the Final quarter, or any funds left un-obligated.

A Quarterly Report Review Checklist for use by state VETS staff is provided as Attachment 1. The checklist is a Microsoft Word Form that can be filled out and forwarded electronically to RAVETs upon their request. Reviewers should pay close attention to instructions in this DM and VPL 02-08 to ensure the State has submitted all necessary documents, the report is accurate and a complete and thorough fiscal and performance analysis has been accomplished. The Checklist is not intended to be all-inclusive and does not preclude adding items in accordance with direction provided from RAVETs.

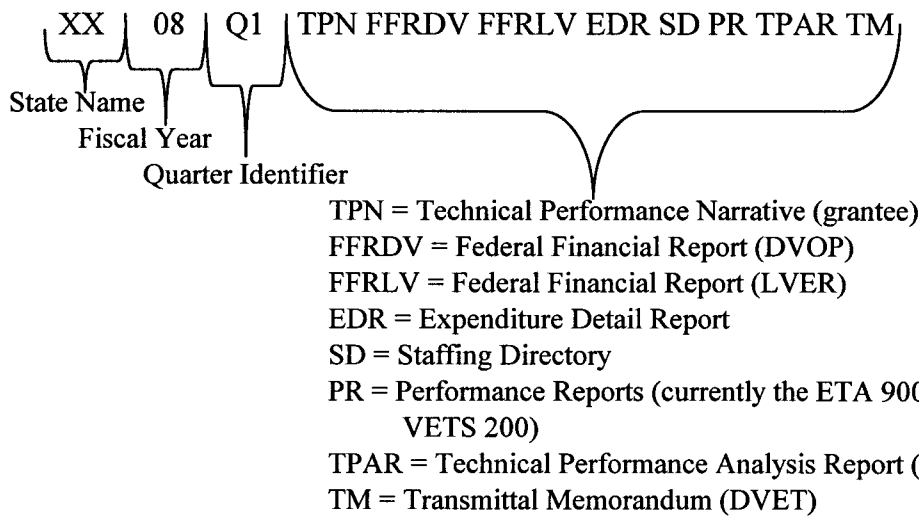
The TPAR sent by DVETs to their RAVET should contain a fully explained and supported recommendation on reallocation when funds in any program are under-expended. This information is critical to the RAVETs' decision on the disposition of excess funding that may be available for reallocation. The National Office must have this information in a timely manner to make informed decisions about future quarterly allocations and pending modification requests.

VI. **<u>RAVET Review and Report Approval</u>:** RAVETs will review each State's Quarterly Report and DVET's TPAR or transmittal memorandum for accuracy and completeness. They will use the information provided to create a Regional Rollup that will be forwarded to the Lead Center (Attn: Fred Mendoza) and National Office (Attn. Patrick Hecker). Any time a program has unexpended funds, the RAVET will clearly annotate and support his or her concurrence or non-concurrence with the DVET's recommendation.

When States in the Region expend funds in the 5th Quarter, RAVETs must submit two completely separate Regional Rollups – one for the 1st quarter of the new fiscal year and one for the 5th quarter of the past fiscal year. The Regional Rollup will clearly identify all unexpended funds that are available for reallocation. The Regional Rollup will be submitted in the format provided as Attachment 2 for Quarters 1-4. The Regional Rollup for the 5th Quarter will only contain the "Fiscal Summary."

VII. <u>Report Distribution</u>: States should provide all Quarterly Reports and if applicable, the Annual Incentive Awards Summary Report to the DVET in electronic and hard copy. After ensuring that the State's report is complete and accurate, the DVET will forward the electronic report(s) and his/her TPAR to the appropriate Regional Office in accordance with instructions provided by the RAVET.

The Lead Center and National Office retain electronic copies of reports from both the States and from VETS field staff for analysis and reference and must be able to easily identify an electronic file by its name. Therefore, DVETs and RAVETs must ensure that all report files sent forward electronically use the following naming protocol:



When multiple documents are included in one file, the abbreviations for each document contained in the named file should be used. If all documents required for submission by the State (not including the DVET TPAR) are included in one file, the word "ALL" can be used.

The following examples depict the correct way to name electronic files:

— A Word file that includes the Technical Performance Narrative and Staffing Directory from Texas for the 2nd quarter of FY 2008 would be saved as **TX 08 Q2 TPN SD.doc;**

— An Excel file that includes both Federal Financial Reports and the EDR from West Virginia for the Final Quarter FY 2008 would be saved as **WV 08 QF FFRDV FFRLV EDR.xls**; and

— An Adobe file that includes all documents (Technical Performance Narrative, Staffing Directory, both Federal Financial Reports, EDR, and all Performance System Reports) from Minnesota for the 1st quarter FY 2008 would be saved as **MN 08 Q1 All.pdf.**

— A Word file that contains the TPAR from the DVET in Florida for the 5th quarter FY 2008 would be saved as **FL 08 Q5 TPAR.doc**

When Incentive Award funds have been expended and reported, the name of the file submitted will include the state name abbreviation, fiscal year identifier and the words "Incentive Report." For example, a file named **WA 08 Incentive Report.doc** contains the Annual Incentive Awards Summary Report for Washington for FY 2008. This report is separate from the quarterly report and **should not** be included with other electronic files.

Regional Offices will forward properly named electronic files named files via email to the Lead Center (Mendoza.Alfredo@dol.gov) and National Office (Hecker.Patrick@dol.gov). The following documents are required:

- Regional rollup with clear and well-supported reallocation decisions
- DVET TPAR or 5th Quarter transmittal memorandum
- State Technical Performance Narrative or transmittal memorandum (as described in the VPL)
- Federal Financial Reports (DVOP and LVER)
- EDRs or alternate format
- Staffing Directory (Quarters 1-4 only)
- Annual Incentive Award Summary Report (as applicable)

Regional Offices are encouraged to keep copies of other documents submitted by DVETs, but should not forward copies of the Manager's Quarterly Report on Services to Veterans, DVET Review Checklist, or other extraneous documents that do not impact decisions or actions taken by the Lead Center and National Office.

VIII. **Automated Reporting:** When an automated reporting system is available for the Jobs for Veterans State Grants, field staff will receive detailed instructions on entering data in the system. This guidance will be considered supplemental to this Director's Memorandum. Until that time, DVETs should maintain file copies of all State Plans, Quarterly Reports, and Annual Incentive Awards Summary Reports from FY 2004 and forward for reference.

IX. Actions Required:

A. Upon distribution to the States, RAVETs will provide electronic copies of all prepared and signed NOAs to the Lead Center (Mendoza.Alfredo@dol.gov) and National Office Program Lead (Hecker.Patrick@dol.gov) in accordance with paragraph IV, A, above.

B. DVETs are encouraged to meet with the State to provide technical assistance and training on changes to the reporting process described in VPL 02-08. The DVET will ensure that all required documents for recurring reports are provided by the State in both hard copy and electronic copy. Upon receipt, they will accomplish a detailed review of all reports and ensure the attached Review Checklist is completed. After all action items identified for correction and/or explanation have been cleared, the DVET will forward the report(s) to the Regional Office as directed by their RAVET.

C. RAVETs will review submitted reports for completeness and accuracy. After the review, RAVETs will coordinate with the DVET to discuss any issues found in the report and when applicable, discuss their recommendation regarding resource reallocation. Once assured the report is complete and accurate, the RAVET will notify the DVET that the State is cleared to submit the approved, signed report to the Grant Officer. RAVETs will submit reviewed reports and the Regional Rollup electronically to the Lead Center, Attn. Fred Mendoza at Mendoza.Alfredo@dol.gov and to the VETS National Office, Attn. Patrick Hecker at Hecker.Patrick@dol.gov no later than 60 days following the end of the quarter. If that date falls on a weekend or holiday, it is due the last workday prior. RAVETs will not delay sending the Regional Rollup because a State/DVET has not met the suspense date.

D. After final clearance by the RAVET, DVETs will notify States that the review process is complete and request that they forward the original, signed copy to the Grant Officer at the address provided in VPL 02-08.

X. Inquiries: DVETs should refer questions to the appropriate RAVET. Issues that cannot be resolved by the Regional Office should be addressed to the Regional DVOP/LVER Expert Cluster (DLEC) member. The DLEC member will seek resolution through the Jobs for Veterans Lead Center or National Office. A response will be sent to the RAVET by the DLEC member.

XI. Expiration Date: When superseded or rescinded.

XII. Attachments:

1. Quarterly Report and Annual Incentive Award Report Checklist
2. Regional Office Quarterly Report Rollup Template